

SECOND HALF - FISCAL YEAR 1955

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MEMORANDUM FOR: Chief, Management Staff

SUBJECT: Accomplishments - 1 January 1955 to 30 June 1955

1. Projects Initiated. During the period specified above, the following five projects were initiated:

- a. No. 5-61, Delegation of Authority, OTR.
- b. No. 5-63, Records Management Division, Management Staff.
- c. No. 5-64, Management Survey, Office of Personnel.
- d. No. 5-65, Management Survey, 50X1
- e. No. 5-79, Staffing Study, Procurement Division, Office of Logistics.

2. Existing Projects. During this same period the following five projects, initiated prior to this period, were under way:

- a. No. 4-115, Management Survey, OTR.
- b. No. 4-118, Management Survey, Office of Security.
- c. No. 5-78, Disposal of Classified Waste.
- d. No. 5-1, Management Survey, Office of Comptroller.
- e. No. 5-54, Management Survey, Medical Staff.

3. Completed Projects. Of this total of ten projects actively under way during the six-month period covered by this report, the following six were completed during the period:

- a. No. 4-115, Management Survey, OTR.
- b. No. 4-118, Management Survey, Office of Security.
- c. No. 5-61, Delegations of Authority, OTR.
- d. No. 5-63, Records Management Division, Management Staff.

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e. No. 5-65, Management Survey, W.T.C.

f. No. 5-78, Disposal of Classified Waste.

These completed projects ranged in size, based on man-days for completion, from a low of 16 to a high of 176 for an average of 89 man-days per project. (Comparable figures for fiscal year 1954 were: low, less than one day; high, 65 days; and an average of 18.)

All of the projects except 5-78, Disposal of Classified Waste, were either requested by the office surveyed or resulted from a request by the office for T/O changes. Project 5-78 was requested by the Incentive Awards Staff as a result of employee suggestions relating to the handling of classified waste.

Major elements of the projects completed were as follows:

Organization - 4 of the projects

Staffing - 4 of the projects

Procedures - 6 or all of the projects

4. Miscellaneous Activities. No record has been maintained in the DD/S Area on T/O changes or other miscellaneous activities. In order that the examiners assigned to this area might devote all their energies to the formally approved projects, I have handled practically all of the T/O changes and miscellaneous matters.

5. Accomplishments on Completed Projects. Completed projects and the benefits resulting or to be expected therefrom are as follows:

a. Project No. 4-115. Management Survey, OTR (Examiner,

This survey improved the organization by following functional lines which resulted in reduction of staffs from four to three, reduction of operating divisions from eight to four, and relieved the Director of Training of the need for giving his personal attention to a myriad of administrative and operational details. It established lines of responsibility, authority, and communications

Follow-up inquiries indicate that the revised organization

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is functioning better than the preceding pattern, and is continuing to improve in performance.

50X1 b. Project No. 4-118, Management Survey, Office of Security.
(Examiner, [redacted])

This survey succeeded in establishing an organizational pattern along functional lines that reduced the span of control exercised by the Director of Security by enabling him to direct his operation through two Deputies, each responsible for specific operational areas of the Office. Informal follow-up inquiries (and unsolicited comments) indicate that the reorganization is operating smoothly, has enabled the Director of Security to delegate operating authority to a greater extent and has considerably eased the burden of detail he had been carrying.

50X1 c. Project No. 5-61, Delegations of Authority, OTR.
(Examiner, [redacted])

This project resulted in an internal OTR issuance delegating authority to Staff and School Chiefs of OTR. It resulted from the Management Survey of OTR (paragraph "a" above) and was necessary to carry out the reorganization of OTR.

50X1 d. Project No. 5-63, Records Management Division, Management Staff. (Examiner, [redacted])

This project established the Division as a Staff, reduced the branch structure from five to three, and placed the emphasis on the disposition phase of the Records Management program.

50X1 e. Project 5-65, Management Survey, [redacted] (Examiner, [redacted])

The survey made relatively minor organizational changes designed to improve procedures affecting administrative matters.

50X1 f. Project No. 5-78, Disposal of Classified Waste. (Examiner, [redacted])

This survey resulted in a proposal to make use of the Pentagon pulper being operated by General Services Administration. This will result in a saving to the Government in excess of the cost to CIA of handling classified waste. (Details involved in arranging to start use of the pulper are being worked out as of this date.)

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In each of the organizational surveys listed above (4-115, 4-118, 5-63, and 5-65) the staffing requirements were reviewed and the T/O brought in line with the ceiling. In each case either the old ceiling was retained or relatively small increases recommended and approved.

6. General. These completed projects, plus the three Management Surveys currently under way (Comptroller, Personnel and Medical) will complete the program of organizational surveys in the DD/S area. It is my plan to begin a program of procedure studies as soon as possible. I have had some preliminary discussions with officials of the Office of Logistics with a view to undertaking a procedure study in that office as soon as the necessary manpower is available. As far as the DD/S area is concerned, I believe that there is more profit to be made through streamlining and mechanizing procedures than through any other phase of the O&M program. Logistics is one of the largest of the DD/S elements and paper handling procedures are involved in every phase of their operation.

50X1 It should be noted that the Management Survey of the Office of the Comptroller (Examiners, [redacted]) differs from other organizational surveys in that it includes detailed studies of procedures. Many improvements have actually been installed in both Finance and Fiscal Divisions that are not included in this report in order to avoid duplication in future reports. As of this date, both Finance and Fiscal are completed. The report on Fiscal is being written and the one on Finance has been forwarded to the DD/S for approval.

50X1 Likewise, parts of the Management Survey of the Office of Personnel (Examiner, [redacted]) have been completed. This includes the over-all plan of organization of the Office, Position Evaluation Division, the Personnel Procurement Division, the Insurance and Casualty Division, and the top structure of the Office, i.e., the office of the Director of Personnel, the Executive Officer, and the Deputy Director of Personnel for Planning and Development.

50X1 [redacted]
Chief, O&M Staff (DD/S Area)

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12 October 1955

Major Accomplishments, DD/E Area

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1. The program for this Area has primarily been one of organization and staffing reviews of the various DD/E offices during the past year and a half and now is nearing completion. Following are examples of the projects undertaken and the results obtained:

- a. Management Survey, Office of Personnel

This project, not yet completed, resulted in a reorganization providing for top level handling of the Agency Career Development Program and establishing the insurance operation as a Division instead of a Branch because of its importance to employee morale.

- b. Management Survey, Office of the Comptroller

This survey, still under way, includes procedures and has resulted in significant decrease in the lag time for recording transactions, reduction in posting errors, reduction in delinquent accounts and in the time required to handle them, and revisions of forms and records.

- c. Management Survey, Office of Training

This survey resulted in realignment of functions according to basic fields of interest, reduction of organizational elements from 12 to 7, clarification of command lines between Headquarters and the Field Training Base, delegations of action authority to operating levels, and establishment of a workload staffing pattern for the Office.

- d. Management Survey, Office of Security

This survey resulted in clarification of functions of the various elements, reduced the span of control exercised by the Director of Security by establishing two Deputies, established physical security as a function at the division level, clarified organizational and command lines between Headquarters and the Field Offices, and established a staffing pattern for the office based on its workload.

2. Approximately 25 T/O changes for the purpose of making minor organizational and staffing changes were processed and some procedures surveys were undertaken. Of these other projects, the following is an example:

Disposal of Classified Waste

This survey resulted in a proposal to make use of The Pentagon pulper being operated by GSA. As soon as the details involved are worked out with GSA, there will be savings estimated at slightly more than \$35,000. This consists of annual savings in Agency costs estimated at \$13,000 plus return from the sale of pulp estimated at over \$22,000 per annum.

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Accomplishments

Calendar Year 1954

DD/A Area

1. Management Study, Office of the Comptroller

- a. Procedure installed which decreased lag time required for recording financial transactions from 6.8 to 3.5 working days.
- b. Procedure installed for reporting posting errors to Chief, Finance Division which materially reduced errors. Errors now less than 1% as compared with an estimated 10% prior to this change.
- c. The procedure for handling delinquent account was revised to eliminate an excessive number of delinquency notices. The old system provided that when an account became delinquent notices were sent as follows:
 - (1) Up to three notices at 30 day intervals to the Chief, Admin Staff, of the Area Division.
 - (2) If delinquency not cleared 30 days after the third notice to the Chief, Admin Staff, a notice was sent to the Chief, Area Division.
 - (3) If still delinquent 30 days later, a notice was sent to the DD/P Admin.
 - (4) Finally, 60 days after notice to DD/P Admin, the case was referred to the DD/A in staff study form if still delinquent.

A substantial number of delinquent accounts were processed through step (2) above, before being cleared. The revised procedure eliminates two of the three notices sent to the Chief, Admin Staff of the Area Division. This results in bringing delinquent accounts to the attention of the Chief, Area Division, DD/P Admin, and DD/A 60 days sooner than under the old system. It also results in saving the work involved in preparing two notices and tends to reduce the number of delinquent accounts.

- d. Revised procedure for handling "Record of Transportation" forms to eliminate unnecessary approval by O&L Branch. This saves about one man-hour per week and expedites payment of invoices.

- e. Revised procedure for handling "Transfer of Account" forms to eliminate sending 90% of such forms to O&L Branch. This saves the logging and handling in O&L Branch of approximately 35 T/A forms per day, improves control in Accounts Branch, and cuts the lag-time in posting by 60-70%.
- f. Arranged amendment to existing records disposal schedule to permit destruction of old pseudo cards and so eliminate the maintenance of a separate file for these cards.
- g. Eliminated Inactive Accounts Payable file.

2. Management Study, Security Office

Revised the organization of the Office so as to:

- a. Establish inspection function as a staff activity.
- b. Establish physical security function at the division level.
- c. Eliminated Security Control Staff and placed its policy function in a Policy Staff and its employee activities function in the Personnel Security Division.
- d. Established the old Security Division as the Personnel Security Division. In the old Security Division there were two principal functions (physical and personnel security) which were not related and each of which deserved division status. After establishing physical security as a division, the old Security Division was renamed Personnel Security Division to fit its function.
- e. Established the Operations Support Division to furnish headquarters support to Field Offices. This clarified organizational lines, hence the reporting channels.
- f. Provided for improved supervision of Security Office operations by establishing two deputy directors each with a specific area of responsibility. This also provided needed relief to the Director and Deputy Director of the Security Office.

3. Management Study, Logistics Office

- a. Revised organization and functions so as to transfer certain requirements activities from the Planning Staff to Supply Division, thus establishing the Planning Staff with a single function.
- b. Provided staffing pattern (T/O) based upon workload requirements.

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- (1) Eliminated ☐ positions from the T/O. Although these positions were not encumbered, their elimination results in saving of administrative costs and record keeping in the Logistics Office, the Office of Personnel, and in connection with Budget matters.
- (2) Not alone confined to Logistics, these excessive and unrealistic T/O's are in effect manipulative mechanisms which came into being as a form of escape from the inadequacies (binds and rigidities) of the basic system which, taken from the military is unsuited to this Agency. (The Management Staff is now proposing alternative control mechanisms.)

4. Management Study, Office of Training

- a. Simplified the organizational structure by the realignment of functions according to basic fields of interest.
- b. Reduced the training elements to four from eight, each having a clearly defined field of interest related to the basic activities of the Agency.

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- d. Provided a secondary level of command (consisting of the Chief, Support Staff and the Chiefs of the four training elements) which will permit delegation of action authority in routine matters and provide a level of coordination not possible in the former structure.

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- f. Prepared functional statements for each element in the Headquarters and Base structure to clearly delineate the area of responsibility.
- g. Removed all command or directive authority from the Plans and Research Staff and established it in an advisory capacity.

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5. Work Measurement, Office of the Comptroller

A work measurement system was installed in the Finance Division which:

- a. Established 25 work units covering 46% of the Finance Division manpower.
- b. Provided for recording the remainder of the manpower time in 18 categories of work.
- c. Provided a monthly report showing the percent efficiency for each element of the Division by work units. This report also shows time spent on other than the established work units, work on hand at the beginning of the month and work on hand at the end of the month.
- d. The system has not been in effect long enough to provide specific benefits other than the establishment of tentative standards of performance.

6. Standard Form of Purchase Order, Invoice, and Voucher

This form, prescribed by GSA for government-wide use, was proposed by Logistics as a ten-part form. We eliminated one copy.

7. Operations Reporting, Logistics Office

Revised report to secure uniform reporting from [redacted] and to provide accurate indicators of week-to-week status of operations for the Assistant Chief for Operations, LO.

8. Procurement Regulations, Logistics Office

Assisted in preparation of four basic procurement regulations adequately covering Agency requirements in lieu of twelve voluminous regulations proposed by Procurement Division [redacted]

9. Management Study, Office of Auditor-in-Chief

Reorganized Office to meet requirements of its workload. This alignment is now along the lines of functional audit, hence advantageous specialization instead of dispersed generalization.

10. Delegations of Authority, Logistics Office

- a. Reviewed and tabulated existing delegations of authority.
- b. Secured requests for delegations from each Staff and Division Chief.

c. Recommended criteria for delegating authority.

As a result, Logistics Office has issued a comprehensive Instruction delegating operating authority to various officials of the Office. Areas of confusion were eliminated and operations improved.